

1                               BEFORE THE  
2                               ILLINOIS COMMERCE COMMISSION

3       IN THE MATTER OF:                               )  
4       ILLINOIS BELL                                    )  
5       TELEPHONE COMPANY,                            )  
6    ) No. 04-0441  
7       Petition for Variance                        )  
8       Pursuant to Part 735 of                     )  
9       the Commission's Rules.                     )  
10   )

11                               Chicago, Illinois  
12                               September 20, 2004

13       Met, pursuant to notice, at 10:00 a.m.

14       BEFORE:

15       MR. TERRENCE HILLIARD, Administrative Law Judge

16       APPEARANCES:

17       MR. JAMES HUTTENHOWER  
18       225 West Randolph Street, Suite 25-D  
19       Chicago, Illinois 60606  
20       appearing for Illinois Bell Telephone;

21       MS. SUSAN SATTER  
22       100 West Randolph Street  
23       Chicago, Illinois 60601  
24       appearing for the People of the  
25       State of Illinois;

26       MR. MICHAEL LANNON and  
27       MR. SEAN R. BRADY  
28       160 North LaSalle Street, Suite C-800  
29       Chicago, Illinois 60601  
30       appearing for Staff.

31       SULLIVAN REPORTING COMPANY, by  
32       Rocio Garcia, CSR  
33       License No. 084-004387

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22

I N D E X

	Re-	Re-	By
<u>Witnesses:</u>	<u>Direct</u>	<u>Cross</u>	<u>direct</u> <u>cross</u> <u>Examiner</u>
JOAN S. HOWARD (via telephone)			
	5		
DAVID F. BECKER			
	8	12	41
		54	51

E X H I B I T S

<u>Number</u>	<u>For Identification</u>	<u>In Evidence</u>
Staff No. 1.0		9
Att. General No. 1	32	67
SBC No. 2	46	51
SBC No. 1.0		66

1 .

2 JUDGE HILLIARD: All right. On behalf of the  
3 Illinois Commerce Commission, I call Docket No.  
4 04-0441. Illinois Bell Telephone Company, SBC  
5 Illinois, petitioner. Petition for variance  
6 pursuant to Part 735 of the Commission's rules.

7 Could the parties identify themselves for  
8 the record beginning with the Attorney General's  
9 Office.

10 MS. SATTER: Appearing on behalf of the People of  
11 the State of Illinois, Susan L. Satter, 100 West  
12 Randolph Street, Chicago, Illinois 60601.

13 MR. LANNON: And appearing on behalf of the Staff  
14 of the Illinois Commerce Commission, Michael J.  
15 Lannon, L- a- n- n- o- n; Sean R. Brady. That's --  
16 and we're at 160 North LaSalle Street, Suite C-800,  
17 Chicago, Illinois 60601.

18 MR. HUTTENHOWER: James Huttenhower, H- u- t- t-  
19 e- n- h- o- w- e- r, appearing on behalf of Illinois  
20 Bell Telephone, 225 West Randolph Street, Suite  
21 25-D, Chicago, Illinois 60606.

22 MR. DAVID BECKER: David Becker --

1 JUDGE HILLIARD: No.

2 MR. HUTTENHOWER: You're the witness.

3 JUDGE HILLIARD: Only lawyers.

4 MR. DAVID BECKER: Oh, my apologies.

5 JUDGE HILLIARD: Speak up at this point.

6 Would Mr. Becker and Ms. Howard raise

7 their right hands, please.

8 MS. JOAN HOWARD: Yes.

9 (Witnesses sworn.)

10 JUDGE HILLIARD: Okay. Thank you.

11 Who wants to go first?

12 MR. LANNON: Your Honor, Staff would like to call

13 Ms. Howard very briefly to just ask her to summarize

14 our position for you.

15 JUDGE HILLIARD: Fine.

16 MR. LANNON: Joan?

17 THE WITNESS: Yes, I'm here. Uh-huh.

18 MR. LANNON: Well, hang on just a second, Joan.

19 THE WITNESS: Okay.

20

21

22

1

2

JOAN S. HOWARD,

3

called as a witness herein, having been first duly

4

sworn, was examined and testified as follows:

5

DIRECT EXAMINATION

6

BY

7

MR. LANNON:

8

Q. Could you please state your name for the

9

record spelling your last name.

10

A. Yes, my name is Joan S. Howard, H- o- w- a-

11

r- d.

12

Q. And who are you employed by?

13

A. The Illinois Commerce Commission.

14

Q. And do you have before you a document titled

15

Verified Statement of Joan S. Howard?

16

A. Just one second. I'll get that.

17

Yes, I do.

18

Q. Okay. And in -- there are no exhibits

19

attached to that; is that correct?

20

A. No exhibits.

21

Q. And was that verified statement prepared by

22

you or under your direction?

1       A.     Yes.

2       Q.     Are there any changes you would like to make  
3 today to that document?

4       A.     No.

5       Q.     Before I make you available for any cross,  
6 if there is any, could you just summarize the Staffs  
7 position in this proceeding.

8       A.     Okay.  Staff oppose (sic) the waiver.  Let  
9 me tell you the points that we understand about it.

10               SBC is seeking approval to implement a  
11 new billing option, whole calls suppression option  
12 to customers who have purchased packages that have  
13 unlimited calling at a flat rate.

14               Customers must affirmatively request the  
15 call detail suppression.  Customers can revert back  
16 to receiving future toll call detail by contacting  
17 SBC at -- SBC would offer the call detail  
18 suppression for customers of all carriers who are  
19 offering unlimited calling plans and meet the  
20 necessary billing and collection agreements.  And,  
21 again, Staff does not oppose the waiver request for  
22 call detail suppression so long as -- regardless of

1 who retains the call detail. SBC can and will  
2 provide it to the customer upon request.

3 JUDGE HILLIARD: Ms. Howard, when you first  
4 started to speak -- it might be a problem with the  
5 telephone but I understood you to say that Staff did  
6 oppose the --

7 THE WITNESS: No, we do not oppose the. . .

8 JUDGE HILLIARD: Okay.

9 MR. LANNON: Caught me by surprise too, your  
10 Honor.

11 JUDGE HILLIARD: Okay.

12 MR. LANNON: That's all I have with Ms. Howard.

13 JUDGE HILLIARD: All right. Does anyone have any  
14 cross for Ms. Howard?

15 MR. HUTTENHOWER: SBC has no cross.

16 MS. SATTER: I have no cross, your Honor.

17 JUDGE HILLIARD: All right. Thank you, Ms.  
18 Howard.

19 Do you have anymore witnesses?

20 MR. LANNON: No, Staff has no more witnesses.

21 JUDGE HILLIARD: Okay. SBC.

22 MR. HUTTENHOWER: Yes, we would like to call

1 David F. Becker who's seated next to me.

2

3 DAVID F. BECKER,

4 called as a witness herein, having been first duly

5 sworn, was examined and testified as follows:

6 DIRECT EXAMINATION

7 BY

8 MR. HUTTENHOWER:

9 Q. And, Mr. Becker, let me put in front of you  
10 what has been marked before as SBC Illinois Exhibit  
11 1.0.

12 JUDGE HILLIARD: Let me backup a minute. Is  
13 the -- is her verified statement for the record?

14 MR. LANNON: Oh, I'm sorry, your Honor. Yeah,  
15 Staff would move to enter into the record the  
16 verified statement of Joan S. Howard.

17 JUDGE HILLIARD: Okay. Is it marked as an  
18 exhibit or is it -- have you E-docketed -- E-docket  
19 filed it or. . .?

20 MR. LANNON: Yes, it -- your Honor, it was filed  
21 on E-docket. It's not marked as a Staff Exhibit.  
22 We can mark it Staff Exhibit 1.0 if you prefer.



1 JUDGE HILLIARD: Okay. All right. We'll -- is  
2 there any objection to the admission of the  
3 statement?

4 MS. SATTER: No.

5 JUDGE HILLIARD: All right. Hearing no  
6 objection, verified statement of Joan S. Howard will  
7 be admitted into evidence. We'll call it Staff  
8 Exhibit 1.0.

9 (Whereupon, Staff  
10 Exhibit No. 1.0 was  
11 admitted into evidence.)

12 JUDGE HILLIARD: I'm sorry for the interruption,  
13 Mr. Huttenhower. You can proceed.

14 BY MR. HUTTENHOWER:

15 Q. All right. Mr. Becker, I've -- actually,  
16 before I start asking you a question.

17 MR. HUTTENHOWER: Does anybody need a copy of  
18 Dave's testimony or do you have it from -- on file?

19 BY MR. HUTTENHOWER:

20 Q. Mr. Becker, you have in front of you what's  
21 been marked as SBC Illinois Exhibit 1.0 which  
22 consists of 10-typed pages of questions and answers

1 and then two exhibits designated as Schedule 1 and  
2 Schedule 2.

3 Do you have that in front of you?

4 A. Yes.

5 Q. Did you prepare this document or was it  
6 prepared under your direction?

7 A. Yes.

8 Q. Do you have any corrections or revisions to  
9 the contents of the document?

10 A. Yes, I have one addition I'd like to make to  
11 the document. I think it's on page 8.

12 Q. You might want to speak up a little louder.

13 A. Sorry. On page 8, Have any other State  
14 commission's made decisions on SBC's proposal to  
15 supress toll LD call detail.

16 At the time this was prepared, we have  
17 since received approval in Kansas, Oklahoma and  
18 Wisconsin.

19 Q. Do you have any other corrections or  
20 revisions to your testimony?

21 A. I do not.

22 Q. And with the revision you just made on page

1 8, if I asked you the questions and answers set  
2 forth -- if I asked you the questions set forth in  
3 this document, would your answers be the same as  
4 what are contained in Exhibit 1.0?

5 A. Yes, they would.

6 JUDGE HILLIARD: Is your addition to the first  
7 question on the page or the second question?

8 THE WITNESS: I think it is the first question.

9 JUDGE HILLIARD: The one with --

10 THE WITNESS: Yes, it is.

11 JUDGE HILLIARD: -- Ohio there?

12 THE WITNESS: Yes.

13 JUDGE HILLIARD: Okay.

14 BY MR. HUTTENHOWER:

15 Q. And one other question, Mr. Becker. Are you  
16 familiar with the filing that SBC Illinois made on  
17 Friday afternoon which was entitled The Response of  
18 SBC Illinois to the Verified Statement of Joan S.  
19 Howard?

20 A. Yes, I am.

21 MR. HUTTENHOWER: All right. At this point, I  
22 would move for the admission of SBC Illinois Exhibit

1 1.0 and. . .

2 JUDGE HILLIARD: Objections?

3 MR. BRADY: No objection from Staff.

4 MS. SATTER: No objection to its admission

5 subject to cross.

6 JUDGE HILLIARD: SBC Exhibit 1.0 will be admitted

7 subject to cross.

8 MR. HUTTENHOWER: All right. I have no further

9 questions for Mr. Becker, and I turn him over for

10 cross.

11 MR. BRADY: Off the record.

12 (Whereupon, a discussion

13 was had off the record.)

14 CROSS-EXAMINATION

15 BY

16 MS. SATTER:

17 Q. Good morning, Mr. Becker.

18 A. Good morning.

19 Q. I have just a few questions for you relating

20 to your testimony.

21 First, is it your position that the goal

22 of the waiver that you seek here is simplicity?

1       A.     Yes.

2       Q.     And so it is your position that customers  
3 want simplicity in their billings?

4       A.     That's correct.

5       Q.     And would you agree with me that customers  
6 also want to know that their usage justifies the  
7 price that they pay?

8       A.     Yes.

9       Q.     And customers want to know what is the  
10 appropriate package or rate for their usage; is that  
11 correct?

12      A.     Yes.

13      Q.     And you would agree with me that customers  
14 calling patterns affect the charges -- the usage  
15 charges that a customer would incur whether it's an  
16 unlimited plan, an individual rate plan or some  
17 other rate?

18      A.     If I understand your question correctly, I  
19 would have to say no.  If it's an unlimited plan  
20 then calling patterns have no impact to what the  
21 customer is paying for that specific plan.

22      Q.     Okay.  So absent an unlimited calling plan,

1 a customer's calling plan -- excuse me, a customer's  
2 calling pattern would affect the total usage charges  
3 that they pay?

4 A. That's correct.

5 Q. And in order to determine whether an  
6 unlimited calling plan is appropriate for an  
7 individual, they would have to know wheth- -- how  
8 those charges -- how the unlimited charges compare  
9 to the per caller usage charges, the non-unlimited  
10 charges?

11 A. Yes.

12 Q. Now, you refer on page 3 of your testimony  
13 to Section 735.70 B1G, and I believe you quote it.  
14 And would you agree with me that that section refers  
15 to toll calls?

16 A. Yes.

17 Q. And the Illinois Commerce Commission rules  
18 cover intrastate toll calls; is that correct?

19 A. Yes.

20 Q. They do not cover interstate calling; is  
21 that correct?

22 MR. HUTTENHOWER: I would object to that as

1 calling for a legal conclusion but if the witness  
2 can answer.

3 JUDGE HILLIARD: Overruled.

4 THE WITNESS: I think that's correct.

5 BY MS. SATTER:

6 Q. So the proceeding in this docket then  
7 addresses intrastate or what we sometimes call local  
8 toll calling display; is that correct?

9 A. No, this would be for both local, toll and  
10 long distance toll.

11 Q. Okay. When you say long distance toll, what  
12 do you mean?

13 A. Anything other than a local call or local  
14 toll. So any interstate, interlata type call.

15 Q. Are you referring to intrastate long  
16 distance?

17 A. I would consider intrastate long distance to  
18 be local toll.

19 Q. Okay. And the Illinois Commerce Commission  
20 rules only apply to intrastate calling --

21 A. Okay.

22 Q. -- correct to the best of your knowledge?

1       A.     To the best of my knowledge.

2       Q.     And part 735.70 B1G only relates to local

3 toll calling or intrastate -- strike that -- only

4 relates to intrastate toll calling?

5       MR. HUTTENHOWER: I would, again, object. The

6 language of subsection 735.70 B1G is what it is and

7 what Mr. Becker might say it means or what you might

8 ask him what it means doesn't really change what it

9 says.

10      JUDGE HILLIARD: Well, I think the point of her

11 inquiry is that your product has interstate features

12 as well as intrastate features, and we only have

13 jurisdiction over the intrastate features.

14             So I think if that's what you're trying

15 to make clear on the record, it's clear.

16      MS. SATTER: Thank you. I can withdraw the

17 question.

18      JUDGE HILLIARD: I don't care.

19      MS. SATTER: That particular question, it's been

20 asked and answered also.

21      JUDGE HILLIARD: Yeah.

22 BY MS. SATTER:



1 Q. Now, are you familiar with 735.70 in  
2 general, the customer billing section of the --

3 A. In general.

4 Q. Okay. So you are aware of the fact that  
5 735.70 B also requires itemization of charges for  
6 local service?

7 A. Yes.

8 Q. Okay.

9 A. But --

10 Q. And --

11 JUDGE HILLIARD: All right. You can make -- we  
12 can presume there's a standing objection to any  
13 questions about the interpretation of the rule,  
14 how's that?

15 MR. HUTTENHOWER: All right.

16 JUDGE HILLIARD: And there's a standing  
17 overruling of the objection.

18 MS. SATTER: Okay.

19 MR. HUTTENHOWER: I would also ask that if Ms.  
20 Satter intends to question Mr. Becker further about  
21 735.70 B1 that perhaps she should provide him with a  
22 copy of it.

1 MS. SATTER: I'll be happy to. I actually do  
2 have copies of the rule. I -- if the --  
3 JUDGE HILLIARD: Fine. Give him a copy.  
4 MS. SATTER: -- for that -- for everybody.  
5 BY MS. SATTER:  
6 Q. Now, you attach to your testimony two  
7 schedules; correct? Schedule 1 and Schedule 2?  
8 A. Yes.  
9 Q. And those schedules represent two different  
10 ways of displaying or not displaying local toll; is  
11 that right?  
12 A. That's correct.  
13 Q. Okay. So Schedule 1 has a little box on the  
14 left-hand side that says Draft Illinois Bell exhibit  
15 toll display; correct?  
16 A. Correct.  
17 Q. Okay. And then Schedule 2 has a similar  
18 box, draft Illinois Bell -- Illinois bill exhibit.  
19 Excuse me, it's Illinois bill exhibit.  
20 Should it be Illinois Bell or bill  
21 exhibit?  
22 A. Actually, it's Illinois bill exhibit.

1 Q. B-i-l- l?

2 A. Correct.

3 Q. Okay. Illinois bill exhibit, excuse me,  
4 toll suppression; correct?

5 A. Yes.

6 Q. So Schedule 2 is what you're proposing going  
7 forward; is that correct?

8 A. That is correct.

9 Q. Okay. Now, on page 1 --

10 JUDGE HILLIARD: Wait a minute. Can I stop you  
11 for a minute. Is -- are Schedule 1 and 2 on the  
12 same sheet of paper?

13 MS. SATTER: They're --

14 MR. HUTTENHOWER: They -- Schedule 1 is a  
15 two-page bill and Schedule 2 is a two-page bill.

16 JUDGE HILLIARD: Okay. I don't have Schedule 2.  
17 Do you have an extra copy by any chance?

18 MR. HUTTENHOWER: Here, let me hand you a  
19 photocopy of Mr. Becker's testimony and Schedule 2  
20 is --

21 JUDGE HILLIARD: Okay.

22 MR. HUTTENHOWER: -- the back of that.

1 JUDGE HILLIARD: Thank you.

2 Go ahead.

3 MS. SATTER: Okay. Thank you.

4 BY MS. SATTER:

5 Q. Okay. Returning to Schedule 2, on page 1 in  
6 the right-hand column about how -- little more than  
7 halfway down there's a heading, Local Calls; is that  
8 correct?

9 A. Yes, there is.

10 Q. And it says under local calls, local sale --  
11 Saver pack unlimited 161 calls were placed this  
12 month; correct?

13 A. Correct.

14 Q. And there's no charge?

15 A. Correct.

16 Q. In fact, there's nothing indicated other  
17 than those words in that category?

18 A. Correct.

19 Q. Similarly, there is no breakout between toll  
20 calls or what we refer to as local calls or Band A  
21 and B calls?

22 A. Correct.

1 Q. Going to page 2 of Schedule 2. Again, on  
2 the left-hand side this time there's a heading SBC  
3 Long Distance and under that it says Important  
4 Information; correct?

5 A. Correct.

6 Q. And that -- there's a paragraph there that  
7 in -- that refers to a \$20 amount; do you see that?

8 A. Yes.

9 Q. It's that the re- -- a little small here.  
10 And in that paragraph it indicates that \$20 of the  
11 all distance service package price is for national  
12 connections being domestic, direct dial, long  
13 distance not including taxes and surcharges;  
14 correct?

15 A. Correct.

16 Q. Okay. So -- all right. Okay. Strike that.

17 Then you have invoice summary under  
18 there, under the same SBC long distance heading?

19 A. Correct.

20 Q. And there's a, Call Charges, \$10. And  
21 there's a Total SBC Long Distance Current Charges,  
22 \$10.90; correct?

1       A.     Correct.

2       Q.     Now, the following paragraph has call  
3 charges for a phone number; Domestic Minutes Used,  
4 50; number of calls, 7; current charges, 0.

5               So does that mean -- so a customer  
6 looking at this, does -- does a customer looking at  
7 this know what these 50 minutes cost him or her?

8       A.     Yes.

9       Q.     And how do they know that?

10      A.     The customer purchased an unlimited plan for  
11 48.95 so they're allowed to -- they know that  
12 those -- the charges associated with the unlimited  
13 plan would apply to the domestic minutes used of 50  
14 minutes.

15      Q.     And -- but looking at this block here, Call  
16 Charges, and to the bottom of that block, there's no  
17 indication what amount of that 48.95 is attributable  
18 to these domestic minutes used, correct, because  
19 there's --

20      A.     If you could rephrase the question. I'm not  
21 sure I understand what you're asking.

22      Q.     Looking at this second block --

1       A.     Yes.

2       Q.     -- does this second block tell the customer

3 what portion of the \$48.95 covers the domestic

4 minutes used?

5       A.     I guess I'm still not clear on your

6 question. It shows that the domestic minutes used

7 is 50 minutes and the number of calls are seven.

8       Q.     And how much did that cost?

9       A.     It is part of the \$20 unlimited plan.

10      Q.     And where does it -- is that what it says up

11 on the top here, \$20? Is that what you're referring

12 to?

13      A.     Yes.

14      Q.     Well, why does it say, Call Charge is \$10 in

15 the next part?

16      A.     The call charges associated to the \$10 are

17 calls that were not part of the domestic direct dial

18 call or the unlimited plan. Those are, in fact,

19 international calls which I've listed in detail,

20 time of call, place, number, minutes. Those are

21 outside of the \$20 plan or the unlimited plan.

22               So we still need the ability to charge

1 the customer for an international call as  
2 international calls are not part of the unlimited  
3 bundle.

4 Q. So it doesn't say International Calls here,  
5 does it? It just says Call Charges; correct?

6 A. In the invoice summary?

7 Q. Yes.

8 A. That's correct.

9 Q. And you want to simplify the bill; correct?

10 A. Yes.

11 Q. Okay. So you -- to -- eliminated that  
12 information from the call summary?

13 A. From the call summary, yes.

14 Q. And the \$10.90, what's that?

15 A. The \$10 is associated to the international  
16 as identified under SBC Long Distance at the top of  
17 column two marked Call Charges, Continued  
18 International. And you'll see the call charges  
19 associated to those international calls that are not  
20 part of the unlimited plan total up to \$10 and 90  
21 cents is the taxes and surcharges applicable to the  
22 \$10 worth of international calls. So that's how you



1 get the 10.90.

2 Q. So there's no breakout of the \$20 to either  
3 domestic minutes used or local calls; correct?

4 A. Correct.

5 Q. So a customer doesn't -- wouldn't be able to  
6 make that association looking at this bill?

7 A. Nor would they make -- be able to make that  
8 association looking at the current bill.

9 Q. Looking at the current bill for this  
10 unlimited calling pattern?

11 A. Yes.

12 Q. Unlimited calling plan?

13 A. Yes.

14 Q. That's despite the fact that Rule 735  
15 requires that the bill itemizes the charges for  
16 local service?

17 MR. HUTTENHOWER: I would object. I believe  
18 Ms. Satter is mischaracterizing the content of  
19 735.70 B in that the reference to local service,  
20 which is B1B, just says local service where as the  
21 reference to toll calls, which is B1G, talks about  
22 toll calls and uses the word itemization.

1 MS. SATTER: If you will, you can't look at B in  
2 isolation. You have to read the preceding paragraph  
3 that then applies to it.

4 The paragraph says, All bills for  
5 residential and single line business customers shall  
6 contain an itemization of the charges.

7 JUDGE HILLIARD: Where are you reading from?

8 MS. SATTER: This is 735.70. Go to B.

9 JUDGE HILLIARD: Right.

10 MS. SATTER: Itemization 1.

11 JUDGE HILLIARD: Okay.

12 MS. SATTER: And that's where I was reading that  
13 paragraph which then, of course, refers to the A  
14 through J that follows, including B.

15 MR. HUTTENHOWER: Well, I would --

16 MS. SATTER: And, frankly --

17 JUDGE HILLIARD: Well, I think you -- you know,  
18 I -- this is getting into legal interpretation.  
19 You're entitled to -- you can have your view about  
20 what it means. He can have his.

21 If you have a question that -- he's not  
22 required to agree with your perception of the rule.

1 So objection sustained.

2

3 BY MS. SATTER:

4 Q. Looking at Schedule 1 --

5 A. Mm-hmm.

6 Q. -- it's your position -- is it true that

7 there's no price or no charge associated with local

8 calls?

9 A. There's no charge listed on the bill

10 specifically at the call detail level, correct.

11 JUDGE HILLIARD: You're referring now to what

12 part of the bill?

13 MS. SATTER: Schedule 1, page 1 on the right-hand

14 column there's a --

15 JUDGE HILLIARD: The bullet?

16 MS. SATTER: -- that says local calls. This is

17 Schedule 1.

18 JUDGE HILLIARD: Right, Schedule 1 right end side

19 of the bill under billing summary?

20 MR. LANNON: Under plans and services and then

21 down a couple.

22 JUDGE HILLIARD: Okay.

1 MS. SATTER: Under plans and services, right.

2 JUDGE HILLIARD: All right. I got it.

3 Okay. If there's a question pending, I

4 forgot and I think the witness may have too.

5 Would you read back the last question.

6 MS. SATTER: I think you answered but --

7 JUDGE HILLIARD: Did he answer?

8 MS. SATTER: I believe he did but if you'd like

9 to hear that question and answer again because --

10 JUDGE HILLIARD: Okay. Go ahead.

11 (Whereupon, the record

12 was read as requested.)

13 BY MS. SATTER:

14 Q. Would you agree with me that on Schedule 1

15 there's no charge identified under the local call

16 heading?

17 A. Yes.

18 Q. And further that there's no itemization of

19 the types of calls made under local calls?

20 A. Correct.

21 Q. On page 2 of Schedule 1 on the right-hand

22 side under SBC long distance, there is an

1 itemization of interstate long distance calls; isn't  
2 that correct?

3 A. Yes.

4 Q. And there aren't any intrastate calls listed  
5 on this particular bill; is that correct?

6 A. To answer that question appropriately, it  
7 would be hard to characterize any of these as inter  
8 or intrastate based on this is a bill. This is not  
9 an actual customer bill so --

10 Q. Oh, sure.

11 A. -- depending on where the person would live,  
12 they could or could not be.

13 Does that --

14 Q. Aren't we assuming this is an Illinois  
15 customer?

16 MR. HUTTENHOWER: Yeah, I think the fake address  
17 says Illinois.

18 BY MS. SATTER:

19 Q. But, I mean, we're in Illinois this is an  
20 Illinois bill; correct?

21 A. Right.

22 JUDGE HILLIARD: Let's presume we've got an

1 Illinois customer for purpose of your exhibit and  
2 question, sir.

3 THE WITNESS: I guess my point would be that  
4 if -- this is a mock-up bill so to answer your  
5 question, yes, there's no intrastate calling. But  
6 that is the section that it would appear in. It's  
7 what --

8 MS. SATTER: Fair enough.

9 THE WITNESS: Is what I was trying to get at and  
10 I apologize.

11 MS. SATTER: Fair enough.

12 BY MS. SATTER:

13 Q. Okay. So had there been intrastate long  
14 distance or toll calls, that's where they would've  
15 been displayed?

16 A. Correct.

17 Q. And from that information the customer  
18 could've tell how many calls they made, how long the  
19 call -- each call was; correct?

20 A. They would be able to tell how many calls  
21 they made and how long they talked, yes.

22 Q. And which number they called for each call?

1       A.     Yes.

2       Q.     Okay.  Now, if a customer is not on an  
3 unlimited plan, you would agree with me that they do  
4 receive a bill containing an itemization of the  
5 charges for their local calls?

6       A.     If they're not on the unlimited plan is --  
7 depending on the local plan that they have, they may  
8 or may not receive the detail.

9       Q.     If they are on a no plan and they just take  
10 service from tariff rates, do you know whether  
11 they -- whether they can see the itemizat- -- any  
12 itemization of the charges for local calls on the  
13 their bill?

14      A.     I do not know at this time what product is  
15 available that would show that level of detail.  I  
16 would have to look at that.

17      Q.     So you don't know what -- customers who are  
18 on tariffed rates in Illinois see when they receive  
19 their bills?

20      A.     I am not sure what product from the bill  
21 display is available specific to the State of  
22 Illinois.  I would have to -- I would have to

1 investigate that.

2 Q. Would it help you to -- see a bill, would  
3 that refresh your recollection?

4 A. Yeah, that would help.

5 Q. Okay. Let me just make sure I have the  
6 things correlated properly. Excuse me if I don't  
7 have staples.

8 Let me show you what I'll ask the court  
9 reporter to mark as Attorney General Exhibit 1.

10 (Whereupon, Attorney General  
11 Exhibit No. 1 was  
12 marked for identification.)

13 BY MS. SATTER:

14 Q. Do you recognize this as an SBC Illinois  
15 bill?

16 A. Yes.

17 Q. And would you agree with me that on the  
18 right-hand side under SBC local services there's a  
19 category that says local calls?

20 A. Yes.

21 Q. Would you agree with me that there is an  
22 itemization for calls 0 to 8 miles and over 8 miles?



1       A.     Yes.

2       Q.     Would you agree with me that there are  
3 charges identified for several categories of those  
4 calls?

5       A.     Yes.

6       Q.     So a customer looking at this bill would  
7 know how much they were incurring for usage alone;  
8 correct?

9       A.     That's correct.

10      Q.     Okay.  Is it correct though that for SBC  
11 packages such as the all distance package the  
12 customer would have that information?

13      A.     That's correct.

14      Q.     Can you tell me what the local saver pack  
15 unlimited is?  That is on your Schedule 1 of your  
16 Schedule 2.

17      MR. HUTTENHOWER:  I would object.  I don't know  
18 what the relevance of call packages -- these local  
19 call packages are to the waiver request at issue  
20 here.

21                   It seems like Ms. Satter is trying to  
22 litigate the propriety of call packages that we've

1 had in place for a number of years.

2 MS. SATTER: I'm actually not questioning the  
3 packages at all. I'm just asking what's displayed  
4 because it seems to me this case is solely about  
5 what's displayed and whether information is  
6 available to customers and in the absence of a  
7 package, customers get a certain amount of  
8 information and I'm just trying to determine how SBC  
9 handles their -- displays --

10 JUDGE HILLIARD: All right. If you're able to  
11 answer the question, answer the question.

12 THE WITNESS: Could you repeat the question,  
13 please?

14 BY MS. SATTER:

15 Q. On your Schedule 1 there's a local saver  
16 pack unlimited under local calls and there's no  
17 charges associated with that.

18 Do you know what that local saver pack  
19 unlimited is?

20 A. Yes.

21 Q. Can you explain what that is.

22 A. It is all of your local calls that are part

1 of the bundle that you have purchased. It's just a  
2 summary of how many calls that were placed for that  
3 particular billing month.

4 Q. Is it any package?

5 A. I can't answer that.

6 Q. Okay. Is it true that currently SBC does  
7 not display the charges for the local saver pack  
8 unlimited usage component separately?

9 A. Again, to the best of my knowledge, yes, but  
10 I would have to see what products are offered today  
11 in this -- in Illinois.

12 Q. So when you say yes, you mean that they are  
13 not displayed?

14 A. To the best of my knowledge but I would  
15 prefer to investigate that because there are many,  
16 many products offered.

17 Q. Now, on pages 5 and 6 of your testimony you  
18 say that they'll be no additional charges for  
19 customers requesting previous bills with call  
20 itemization; correct?

21 A. That's correct.

22 Q. And do you know whether customers can

1 currently access itemization of local calls from the  
2 company?

3                   For example, calls that might be  
4 displayed on AG Exhibit 1?

5       A.     Again, I would have to look at -- to see if  
6 that's available.

7       Q.     Okay. Are you familiar with 735.70 B2 and  
8 3. I'm sorry, it would only be B3.

9       A.     Yes.

10      Q.     Okay. And so this says that the company  
11 must provide message unit detail for one billing,  
12 period, free of charge one time every six months --

13      A.     Yes.

14      Q.     -- is that correct?

15                   And you're familiar with that bill?

16      A.     Yes.

17      Q.     And -- but in this situation, in this waiver  
18 request, SBC would be willing to provide call detail  
19 for more -- more often than once every six months  
20 free of charge; correct?

21      MR. HUTTENHOWER: I would object to this question  
22 since Ms. Satter seems to be mixing apples and

1 oranges here. The provision of the rule she's  
2 talking about relates to local calling. Our waiver  
3 request relates to toll and long distance calling.  
4 So that the witness may be confused by her question.

5 MS. SATTER: I guess the question is, is the  
6 witness confused first?

7 JUDGE HILLIARD: Well, is your question limited  
8 to local message detail only?

9 MS. SATTER: Local message detail, my  
10 understanding, is that local toll is part of local  
11 message -- local messages.

12 JUDGE HILLIARD: All right. But his --

13 MS. SATTER: So maybe we have a definitional  
14 issue here, but you know to --

15 JUDGE HILLIARD: I think what he's trying -- I  
16 think what he's saying is that they provide detail  
17 and will provide detail for local toll and long  
18 distance toll calls but not local calls, is that  
19 correct, Mr. Huttenhower?

20 MR. HUTTENHOWER: Well, under this rule that  
21 Ms. Satter has mentioned, yes, we provide local  
22 message detail. That's available to customers on

1 request for a certain period of time after the calls  
2 are made and under the waiver proposal we are  
3 proposing to provide the detail that is otherwise  
4 suppressed for local toll and long distance.

5 JUDGE HILLIARD: Not for local usage?

6 MR. HUTTENHOWER: Not for local usage.

7 JUDGE HILLIARD: All right. Then the question --  
8 the objection is sustained.

9 BY MS. SATTER:

10 Q. So the itemization that you're prepared to  
11 offer upon request of the company -- of a customer  
12 would be for up to 24 months, am I understanding  
13 your testimony properly?

14 A. Correct.

15 Q. So there wouldn't be any charge to the  
16 customer if they requested that detail more than  
17 once every six months?

18 A. No, there would not.

19 Q. Okay. I wanted to make sure of that. If I  
20 can just have one minute.

21 Returning to your Schedule 2, other than  
22 the paragraph on page 2 in the left-hand column

1 under SBC Long Distance, Important Information,  
2 there is no breakout of the usage charges; is that  
3 correct?

4 A. That's correct.

5 Q. And finally you -- the term domestic minutes  
6 used, what are you including in that?

7 A. We're including the local toll and long  
8 distance. That is part of the unlimited plan that  
9 this customer has purchased and we title it domestic  
10 to ensure that they understand that international is  
11 not part of that unlimited plan.

12 Q. Okay. And this \$20 also covers local  
13 calls -- local calling as well; correct?

14 A. Local toll.

15 Q. Does it not cover local calling?

16 A. No, it does not.

17 Q. So then how does somebody know what the  
18 charges for local calling?

19 A. The charges is a flat rate to include local,  
20 local toll and long distance so the --

21 Q. Okay. So the \$20, that includes all those  
22 three --

1       A.     No --

2       Q.     -- components?

3       A.     -- it does not.   The \$20 includes local toll

4 and long distance toll.   The \$20 is not the entire

5 price of that particular bundle.

6       Q.     So the local call charge then or the -- a

7 portion of the bundle charge that's associated with

8 local calling is unstated on the bill?

9       A.     The charge itself is not stated on the bill,

10 correct.

11      Q.     Okay.   And your goal is to simplify the bill

12 for consumers; correct?

13      A.     That's correct.

14      Q.     And it is also your goal for consumers to

15 make correct choices; is that correct?

16      A.     That's correct.

17      Q.     And you would agree with me that an informed

18 consumer would make a better choice for themselves?

19      A.     I would have to assume that's correct.

20      MS. SATTER:   Okay.   I have no other questions.

21 Thank you.

22      JUDGE HILLIARD:   You want to do your redirect now



1 or at the end of the whole thing?

2 MR. BRADY: Staff -- excuse me, your Honor, Staff  
3 does have a few questions.

4 JUDGE HILLIARD: I know you do.

5 MR. BRADY: Okay.

6 JUDGE HILLIARD: Do you want to do your redirect  
7 of her questions or do you want to wait till Staff  
8 is over with?

9 MR. HUTTENHOWER: I mean, I guess if I have any  
10 redirect on -- after Staff is done, would I then be  
11 able to ask that then?

12 JUDGE HILLIARD: Yeah.

13 MR. HUTTENHOWER: Okay. Why don't I do the  
14 couple redirect issues I have with AG's testimony  
15 while it's still fresh --

16 JUDGE HILLIARD: Fresh in our minds.

17 MR. HUTTENHOWER: -- in our minds.

18 REDIRECT EXAMINATION

19 BY

20 MR. HUTTENHOWER:

21 Q. I guess the last point or one of the last  
22 points that you were discussing with Ms. Satter

1 related to the charges for local calls, where -- and  
2 you mentioned that local calls are part of a  
3 bundle -- overall bundle that the customer is  
4 getting.

5           What part of the bundle, if you refer to  
6 Schedule 2, includes local -- charges for local  
7 calls?

8       A.     That would be the Economy Solutions provided  
9 by SBC Illinois.

10       JUDGE HILLIARD:   Where is that on the bill?

11       THE WITNESS:   If you look at Schedule 2 it is on  
12 the right-hand column on --

13       JUDGE HILLIARD:   Page 1?

14       THE WITNESS:   Yes, page 1 at the top under SBC  
15 benefits we have the bundle listed as all distance  
16 and then we break it out 28.95 for Economy Solutions  
17 and \$20 for the national connections local calling,  
18 LD product.

19   BY MR. HUTTENHOWER:

20       Q.     Now, I notice as well that the Economy  
21 Solutions package includes a line that says local  
22 saver pack, unlimited plan.  Is -- do you know,

1 Mr. Becker, whether SBC offers the local saver pack  
2 unlimited plan sort of as a freestanding option for  
3 a customer without all the other stuff combined with  
4 it?

5 A. It's my understanding that it would -- it  
6 could be part of the Economy Solutions Plus. I  
7 don't know -- if it's a stand-alone, I'd have to go  
8 and check.

9 Q. Okay. Let's see here. Now, I just wanted  
10 to clarify, I think, some confusion at the start of  
11 your examination by Ms. Satter.

12 You had several points mentioning 48.95  
13 as the cost of the calling plan and then you  
14 subsequently said that the plan was \$20. What's the  
15 difference between those two dollar amounts as far  
16 as plans are concerned?

17 A. The difference is the \$20 is a national  
18 connections product provided by SBC LD and that  
19 product includes your local toll and your long  
20 distance.

21 The 28.95 is associated to your access  
22 line, your local service, and your vertical features

1 is listed on the bill. So the 48.95 is the  
2 combination of the two which includes unlimited  
3 calling, unlimited domestic calling I should say.

4 JUDGE HILLIARD: Is it possible that a customer  
5 local usage charge would be something other than  
6 28.95 under this program?

7 THE WITNESS: Under this particular product?

8 JUDGE HILLIARD: Yes, sir.

9 THE WITNESS: No.

10 JUDGE HILLIARD: Okay.

11 BY MR. HUTTENHOWER:

12 Q. Now, I had one question actually regarding  
13 the --- AG Exhibit 1 and -- actually, I'm sorry. I  
14 didn't -- I misspoke.

15 I would, however, in -- Ms. Satter did,  
16 in her examination, ask you whether there was any  
17 local toll calling shown in Schedule 2. Do you  
18 remember that question?

19 A. Yeah.

20 Q. And what was your answer to that? Did the  
21 bill in Schedule 2 include any local toll calling  
22 for this cust- -- for the customer, not this guy, in

1 Schedule 2.

2 A. Could you ask the question again, please.

3 Q. What -- is there any local toll calling --

4 I'm sorry. Let me backup.

5 Look at Schedule 1. Does that customer's

6 bill include any local toll calls, assuming this is

7 an Illinois customer's bill?

8 A. Assuming this is an Illinois customer's

9 bill, no, it does not.

10 MR. HUTTENHOWER: All right. If I could have

11 this marked as SBC Illinois, I guess, redirect

12 exhibit.

13 JUDGE HILLIARD: What is it?

14 MR. HUTTENHOWER: It is another telephone bill.

15 MS. SATTER: Can you show it to --

16 MR. HUTTENHOWER: Sure, I have copies of it.

17 JUDGE HILLIARD: And I presume these questions

18 are going to be responsive to cross-examination --

19 MR. HUTTENHOWER: Yes.

20 JUDGE HILLIARD: -- is that correct?

21 Okay. We'll mark this as SBC Exhibit 2

22 for identification.

1

2

3

(Whereupon, SBC

4

Exhibit No. 2 was

5

marked for identification.)

6 BY MR. HUTTENHOWER:

7

Q. All right. Mr. Becker, if you could turn

8

to, I guess, the local -- or the toll section of the

9

bill which would be page 5 of the bill.

10

Are you with me?

11

A. Yes.

12

Q. Does this bill contain charges for local

13

toll calls or does this bill list local toll calls?

14

A. Yes, it does.

15

Q. Does this bill provide any breakdown of

16

which of the listed calls are local toll versus long

17

distance?

18

A. No, it does not.

19

Q. Can you tell from looking at this bill which

20

calls are local toll versus long distance?

21

A. Not with any level of accuracy, no.

22

Q. And why is that?

1       A.     A customer would have to be extremely savvy  
2     in where they live versus where they're calling to  
3     understand where the boundaries are for a local toll  
4     call.

5                 So in this detail we list a place called  
6     city and state, but there's really nothing here that  
7     would say that is a -- this type of call versus a  
8     long distance call.

9       JUDGE HILLIARD:   Well, I'm looking at this.   It's  
10    on page 5 here at -- are you addressing this -- you  
11    know, it starts at the -- towards the bottom of the  
12    left-hand column, it goes on to the right-hand  
13    column?

14       THE WITNESS:   Yes, sir.

15       JUDGE HILLIARD:   Well, if you limit an area you  
16    become familiar with the area codes, can't you tell  
17    the local toll calls that are listed here from the  
18    long distance calls by the area code?

19       THE WITNESS:   Not necessarily.

20       JUDGE HILLIARD:   Why is that?

21       THE WITNESS:   Well, you would have to know -- I  
22    mean, there are so many area codes at this point.

1 You'd have to know which area code is a local toll  
2 call versus a long distance call, and I don't know  
3 that our customer base --

4 JUDGE HILLIARD: Well, are we defining long  
5 distance as being interstate?

6 THE WITNESS: Yes.

7 JUDGE HILLIARD: Okay.

8 THE WITNESS: Well, can I reanswer that question?

9 JUDGE HILLIARD: You can amplify your answer,  
10 how's that.

11 THE WITNESS: I don't know that it's specifically  
12 just interstate.

13 JUDGE HILLIARD: Explain that.

14 THE WITNESS: If I were to call Springfield,  
15 Illinois from Chicago, that would not be local toll.

16 JUDGE HILLIARD: That'll be long distance?

17 THE WITNESS: Correct.

18 JUDGE HILLIARD: All right. Yeah. So how do  
19 you -- what's the difference between local toll and  
20 long distance in that kind of a context?

21 THE WITNESS: It's based on geographic  
22 boundaries, distance, and I do not know them. I



1 could not tell you what they are off the top of my  
2 head. I'd have to look them up.

3 JUDGE HILLIARD: Okay. All right.

4 MR. HUTTENHOWER: All right. I have no further  
5 questions for Mr. Becker about --

6 JUDGE HILLIARD: All right. Are you representing  
7 that SBC Exhibit 2 for identification is another  
8 example of a bill that would be generated by the  
9 variance you're seeking here?

10 MR. HUTTENHOWER: No, I'm sorry.

11 BY MR. HUTTENHOWER:

12 Q. Mr. Becker -- I guess I do have one more  
13 question -- does this customer whose bill is SBC  
14 Exhibit 2, are they on an unlimited calling plan?

15 A. Yes, they are.

16 Q. Do they -- does this customer have toll  
17 suppression on the bill?

18 A. No, they do not.

19 Q. So this is an example -- another example of  
20 a current bill we generate for an unlimited -- a  
21 customer with an unlimited calling plan?

22 A. That's correct.

1 JUDGE HILLIARD: And the purpose of asking the  
2 witness about questions about this bill is what?

3 MR. HUTTENHOWER: Oh, you're -- this is for me?

4 JUDGE HILLIARD: Yes, sir.

5 MR. HUTTENHOWER: To show that on our current  
6 bills there's not -- with -- for call -- customers  
7 with unlimited plans there's not a breakdown of  
8 calls as to whether they are local toll or long  
9 distance.

10 JUDGE HILLIARD: Okay. Are you through with  
11 your --

12 MR. HUTTENHOWER: Yeah.

13 JUDGE HILLIARD: -- redirect --

14 MR. HUTTENHOWER: Yeah, I --

15 JUDGE HILLIARD: -- recross?

16 MR. HUTTENHOWER: Oh, I guess I would ask for  
17 this to be admitted.

18 JUDGE HILLIARD: All right. Are there -- is  
19 there an objection to the admission of SBC Exhibit 2  
20 for identification into evidence.

21 MS. SATTER: I don't, Judge.

22 MR. LANNON: Except that --

1 JUDGE HILLIARD: All right. SBC Exhibit 2 will  
2 be admitted.

3 (Whereupon, SBC  
4 Exhibit No. 2 was  
5 admitted into evidence.)

6 JUDGE HILLIARD: Recross.

7 RECROSS EXAMINATION

8 BY

9 MS. SATTER:

10 Q. Mr. Becker, is it your testimony that  
11 customers don't really understand the difference  
12 between local toll calls and long distance calls?

13 A. I'd like to answer this way: When a  
14 customer purchases an unlimited plan, they don't  
15 care about the boundaries. All they want is, I can  
16 call anywhere, anytime within the parameters of that  
17 plan. That's really what they're looking for.

18 Q. But as far as their understanding of the  
19 difference between one and the other, is it --

20 JUDGE HILLIARD: I think the witness stated that  
21 he doesn't understand the difference in all cases.

22 MS. SATTER: Oh, okay. Okay.

1 THE WITNESS: I would --

2 JUDGE HILLIARD: So I think we can presume that

3 his -- since he's an expert for the company that

4 most customers don't always appreciate the

5 differences here.

6 BY MS. SATTER:

7 Q. Do you know what SBC charges for local

8 call -- local toll calls in the absence of a

9 particular plan?

10 A. I would have to look up the rate.

11 Q. Would you accept subject -- well, I was

12 going to suggest, would you accept subject to check

13 that it's 10 cents a minute?

14 (Whereupon, a discussion

15 was had off the record.)

16 BY MS. SATTER:

17 Q. Well, I think it might've been increased to

18 12 cents a minute is the problem. So if you don't

19 know, tell me you don't know.

20 A. That -- I would have to go look up the rate

21 as I stated. I do not know off the top of my head.

22 Q. But that rate would be included in your

1 tariffs?

2 A. Yes.

3 Q. So if somebody were to make a local toll  
4 call at whatever the per minute rate was, that was  
5 what -- that's the charge that would appear on their  
6 bill; correct?

7 A. Correct.

8 Q. If they were to make a long distance charge  
9 at a different rate, that's the charge that would  
10 appear on their bill; correct?

11 A. Correct.

12 Q. If they were to make a local call which is  
13 charged per call as opposed to per minute, that is  
14 the charge that would appear on their bill in the  
15 absence of a plan?

16 A. Correct.

17 Q. And those customers would then know what  
18 charges are associated with what usage; correct?

19 A. Correct.

20 MS. SATTER: Okay. Thank you. I have no further  
21 questions.

22 MR. HUTTENHOWER: I have no other questions.

1 JUDGE HILLIARD: Okay. Staff, cross, please.

2 MR. BRADY: Thank you.

3 CROSS-EXAMINATION

4 BY

5 MR. BRADY:

6 Q. Good morning, Mr. Becker, my name is Sean  
7 Brady.

8 First thing I want to open up with is  
9 something that you had mentioned in response to  
10 actually one of the questions that Mr. Huttenhower  
11 asked you. You had mentioned that Economy Package  
12 might be associated with an Economy Solutions Plan  
13 or Economy Solutions Plus package and I'm just  
14 curious, if you -- could you describe what that  
15 package is? Are you -- since you referred to it.

16 A. Describe Economy Solutions?

17 Q. Economy Solutions Plus because you said that  
18 it is possible that the economy package, if it was  
19 offered, would be offered with the Economy Solutions  
20 Plus is, I thought, what you had said?

21 A. That's possible. I would have to go back  
22 and look at the actual vertical features under each

1 one of these products. But at a high level economy  
2 Solutions Plus to answer your question, as listed,  
3 if you look at Schedule 1 on the right-hand side  
4 under Plans and Services, it's got a list of  
5 indented items that would comprise the Economy  
6 Solutions Plus package.

7 Q. Okay. All right. You have your testimony  
8 in front of you?

9 A. I do.

10 Q. All right. Turn to page 5. The second  
11 question and answer on that page starts with, How  
12 will both.

13 Do you see that?

14 A. Yes, I do.

15 Q. This question and answer talks about how the  
16 toll, slash, LD suppression is going to be offered  
17 to customers so is it correct that you will be  
18 offering this -- if approved, you'll be offering  
19 this to customers who currently have unlimited  
20 packages?

21 A. Correct.

22 Q. And you'll be calling them directly to

1 market this package?

2 A. There's -- that has not been established as  
3 to how we're going to communicate this option is  
4 available to customers should they choose it.

5 Q. Okay.

6 A. My plan are to -- it's quite possible that  
7 we might be calling outward to the customer and let  
8 them know it's available. We may be including  
9 something in the bill that let's them know that this  
10 is available.

11 Q. Okay. Is it likely -- do you know, is it  
12 likely that if marketed to once and the customer  
13 says no that they'll be marketed to a second time?

14 A. It's possible that that happens but it  
15 wouldn't be a direct effort to target that customer  
16 for this option for the all distance plan in this  
17 example and then, again, for the old distance plan.

18 Should they move to a different plan,  
19 it's quite possible that we ask -- or allow them to  
20 choose this option so --

21 Q. And this is marketing that is going to  
22 your -- essentially to the -- your local customers,



1 SBC's local customers; correct?

2 I realize that they're going to be part  
3 of the unlimited package, but the people that you'd  
4 be -- your universe of people that you would be  
5 marketing this to are all going to be your SBC  
6 Illinois local consumers; correct?

7 A. No, I will not -- I don't want to speak on  
8 behalf of SBC long distance as an interexchange  
9 carrier but they may be marketing their customer  
10 base.

11 Now, our -- is that our customer base?  
12 In some cases, but should they have an unlimited  
13 plan and not associated to something that we're  
14 doing, we may not be the person -- we might not be  
15 sending this option availability out to the entire  
16 end user base, our end users.

17 MR. HUTTENHOWER: Dave, the "we" in that answer  
18 was SBC Illinois?

19 THE WITNESS: Thank you. Sorry.

20 BY MR. BRADY:

21 Q. I guess just to clarify your role at the  
22 company, though, is the director of billing product

1 management, I guess.

2 I'm curious, to what extent are you --  
3 strike that.

4 Then the -- you're also going to be --  
5 you mention in your testimony here, that the  
6 suppression package will be offered to new customers  
7 as well, I -- what -- in what you say as the point  
8 of sale?

9 A. Yes.

10 Q. So you will be marketing this not only to  
11 SBC Illinois' own customers but people who would --  
12 consumers who have other local exchange carriers?

13 A. No.

14 Q. Okay. That response, actually, you're  
15 speaking only for SBC Illinois, the local side;  
16 correct, not the SBC at long distance because --

17 A. Correct, I cannot speak on behalf of SBC  
18 long distance.

19 Q. Okay. So then when you actually make this  
20 offer to the customer that -- when you actually  
21 offer this package to the customer, the customer is  
22 going to be receiv- -- let me give you a

1 hypothetical.

2           Let's say the customer already has  
3 unlimited local toll, unlimited long distance but  
4 they have everything -- the call detail broken out  
5 currently, and you approach this customer and you  
6 ask them -- you ask them for call detail  
7 suppression.

8       JUDGE HILLIARD: Try to sell them call detail  
9 suppression?

10 BY MR. BRADY:

11       Q.     Actually, let me backup. Let me ask it this  
12 way: Once you obtain the waiver here -- or if you  
13 obtain the waiver here from the Commission, will all  
14 of your customers who have unlimited local toll with  
15 unlimited long distance automatically receive the  
16 call detail suppression or will they have -- I guess  
17 that's one question. So is that then --

18       A.     No, they will not --

19       Q.     Okay.

20       A.     -- automatically receive --

21       Q.     So once you -- if you receive the waiver  
22 here then you actually have to ask the customer and

1 they're going to actually have to opt into this  
2 so -- this provision?

3 A. That's correct.

4 Q. Okay. So it is their choice?

5 A. Absolutely.

6 Q. Now, it is true that some of your -- do you  
7 know that some of your SBC cus- -- some of your  
8 customers who receive SBC local also have a  
9 different long distance carrier; isn't that correct?

10 A. That's correct.

11 Q. And it's foreseeable that one of the long  
12 distance carriers may also -- one of -- an  
13 opposing -- a long distance carrier who's not SBC  
14 long distance may also want to offer an unlimited  
15 long distance package in combination with an  
16 unlimited toll package; is that foreseeable?

17 A. They may, yes.

18 Q. And is it correct that SBC would be open to  
19 entering into -- if SBC was put in front of the  
20 local toll in that situation, is that a yes or a --

21 JUDGE HILLIARD: Ask a question.

22 BY MR. BRADY:

1 Q. If S- -- if in a situation where SBC is  
2 providing the local serv- -- this local service --  
3 the local toll service and a different carrier is  
4 providing long distance; is it correct that SBC  
5 would be willing to enter into an agreement to still  
6 provide the call detail suppression?

7 A. If I understand your question, another  
8 interexchange carrier is providing that customer  
9 with long distance and you're asking if we would  
10 support that from a billing perspective, that  
11 particular -- is he suppressing that customer's  
12 detail, and I would answer this way:

13 One, if the waiver that we are seeking  
14 today is broad enough to allow other carriers, not  
15 just SBC LD approval to suppress detail; two, if  
16 that particular interexchange carrier offers call  
17 detail suppression as an option to their customer;  
18 and, three, that they have the appropriate billing  
19 and collections agreement with SBC just as SBC LD or  
20 any other interexchange carrier does. Those three  
21 pieces need to be in place to allow that to happen.

22 Q. Would the billing and collection contract

1 have to include the provision for call detail  
2 suppression?

3 A. Yes.

4 Q. Are you aware of how many carriers -- how  
5 many long distance carriers who have a billing and  
6 collection contract with SBC currently -- or how --  
7 strike that.

8 How many long distance carriers currently  
9 have billing and collection contracts with SBC  
10 Illinois?

11 A. Am I aware of the number of them?

12 Q. Yeah.

13 A. I am not off the top of my head.

14 Q. Okay. Are you aware of how often those  
15 kinds of contracts are negotiated?

16 A. I'm not part of that particular  
17 organization, but I would imagine often, but I  
18 really can't answer with any authority.

19 Q. But you are willing -- let's see.

20 JUDGE HILLIARD: Strike that last question.

21 MR. BRADY: Thank you.

22 BY MR. BRADY:

1 Q. Mr. Becker, you have reviewed the response  
2 of -SB- -- response of SBC Illinois to the verified  
3 statement of Joan S. Howard?

4 A. Yes.

5 Q. That was filed on Friday?

6 A. Yes.

7 Q. Do you have that in front of you?

8 A. Yes.

9 MR. HUTTENHOWER: Does anybody need a copy of it,  
10 what we filed on Friday?

11 BY MR. BRADY:

12 Q. The -- on the second page, the third  
13 paragraph talks about Staff's third presumption.

14 Do you see that?

15 A. Yes.

16 Q. And that relates to who has the call detail  
17 data.

18 Is it true that SBC Illinois has the call  
19 detail data for the carriers in which it provides  
20 billing and collections?

21 A. No.

22 Q. In all situations, that is -- it does not

1 have that information or just for some -- for some  
2 of those carriers?

3 A. Under today's current environment are you  
4 asking does SBC Illinois have the call detail for  
5 SBC LD?

6 Q. No, not for SBC LD.

7 JUDGE HILLIARD: For competing IXC's.

8 THE WITNESS: We have the detail that they send  
9 us under the billing and collections agreement. So  
10 if they send us that detail, yes, we do have it.

11 BY MR. BRADY:

12 Q. Are you familiar with -- are you familiar  
13 with how often they provide that information to you?

14 A. It's part of the end user bill so it's  
15 provided to us on a monthly basis based on the end  
16 users -- or on the customer's billing cycle.

17 Q. Is it your intent with this new plan to be  
18 amending the billing and collections agreement such  
19 that they would not need to provide that data to SBC  
20 if the end user customer was -- his detail -- call  
21 detail was going to be suppressed?

22 A. Again, if this waiver was approved, broad



1 enough to include any IXC and that that IXC was  
2 going to follow the data retention guidelines that  
3 all of the carriers have to, 24 months, for example,  
4 in Illinois, then yes. And as long as that carrier  
5 makes that product available to their end users.

6 JUDGE HILLIARD: So if the IXC tells you that  
7 they're going to keep the call detail if the  
8 customer wants it, then you're not going to be  
9 concerned about it? You're not going to keep the  
10 data?

11 THE WITNESS: No, I would not have that data. It  
12 would not be sent to me by that carrier.

13 JUDGE HILLIARD: All right.

14 THE WITNESS: Unless that carrier had a contract  
15 through the billing and collections process that  
16 would allow us to have that data, but I don't see  
17 that very likely.

18 BY MR. BRADY:

19 Q. Okay. Are you aware of any federal  
20 obligations to offer the -- this call detail plan?

21 A. I cannot answer that question.

22 Q. Or any federal laws that actually impact --

1 well, let me backup.

2           You've been handling the cases in each of

3 SBC's 13 states; correct?

4     A.     Correct.

5     Q.     Okay. So -- and this package is tied to

6 both local toll and long distance so it crosses over

7 interstate lines?

8     A.     Correct.

9     Q.     So are you aware in the -- has it -- are you

10 aware of any FCC obligations that regulate the

11 provision of this type of package?

12     A.     No, I'm not.

13     MR. BRADY: Staff has no further questions, your

14 Honor.

15     JUDGE HILLIARD: Redirect?

16     MR. HUTTENHOWER: SBC has no redirect.

17                     (Whereupon, SBC

18                     Exhibit No. 1.0 was

19                     admitted into evidence.)

20     JUDGE HILLIARD: Okay. I think we're done.

21     MS. SATTER: I would just like to move for the

22 admission of AG Exhibit --

1 JUDGE HILLIARD: Fine.

2 MS. SATTER: -- 1.

3 JUDGE HILLIARD: Objections to AJ -- AG Exhibit  
4 1?

5 MR. LANNON: Staff has no objections.

6 MR. HUTTENHOWER: SBC has no objection.

7 JUDGE HILLIARD: Okay. AG Exhibit 1 will be  
8 admitted.

9 MS. SATTER: Thank you.

10 (Whereupon, Attorney General  
11 Exhibit No. 1 was  
12 admitted into evidence.)

13 JUDGE HILLIARD: Is there -- somebody want to  
14 brief this or is it -- where are we at with this?

15 (Whereupon, a discussion  
16 was had off the record.)

17 MR. LANNON: You have an issue with the usage?

18 MS. SATTER: Right.

19 MR. LANNON: Are we on the record, your Honor?

20 JUDGE HILLIARD: Yeah. Do you want to go off the  
21 record and talk a little bit.

22 MR. LANNON: It might be a good idea.

1 JUDGE HILLIARD: All right. We'll go off the  
2 record now.

3

4 (Whereupon, a discussion  
5 was had off the record.)

6 JUDGE HILLIARD: All right. Pursuant -- back on  
7 the record.

8 Pursuant to a discussion had between the  
9 parties, we've agreed on a post-hearing briefing  
10 schedule. Initial briefs due on October 29th, the  
11 responses on November 12th and any replies, if any,  
12 by November 19th. All those dates are COB, close of  
13 business.

14 MS. SATTER: Okay.

15 JUDGE HILLIARD: Okay. That's all then I hope.  
16 Thank you very much.

17 MR. HUTTENHOWER: Thank you.

18 MR. LANNON: Thank you, your Honor.

19 HEARD AND TAKEN

20

21

22